



Financial Statements of

**NORTH BAY PARRY SOUND
DISTRICT HEALTH UNIT**

Year ended December 31, 2023

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

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For the year ended December 31, 2023

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INDEPENDENT AUDITOR'S REPORT

To the Board Members of the North Bay Parry Sound District Health Unit

Opinion

We have audited the accompanying financial statements of the North Bay Parry Sound District Health Unit (the Entity), which comprise:

- the statement of financial position as at December 31, 2023
- the statement of operations and accumulated surplus for the year then ended
- the statement of changes in net financial assets for the year then ended
- the statement of cash flows for the year then ended
- and notes and schedules to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements")

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at December 31, 2023, and its results of operations, its changes in net financial assets and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "*Auditor's Responsibilities for the Audit of the Financial Statements*" section of our report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Entity's ability to continue as a going concern, disclosing as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Entity's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



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- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represents the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

A handwritten signature in black ink that reads 'KPMG LLP'. The signature is written in a cursive, stylized font and is underlined with a single horizontal stroke.

Chartered Professional Accountants, Licensed Public Accountants

Sudbury, Canada

May 10, 2024

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT


Statement of Financial Position

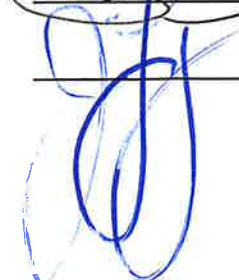
December 31, 2023, with comparative information for 2022

	2023	2022
Financial assets		
Cash and cash equivalents	\$ 4,056,679	\$ 6,268,478
Accounts receivable (note 4)	1,651,930	451,749
	<u>5,708,609</u>	<u>6,720,227</u>
Financial liabilities		
Accounts payable and accrued liabilities (note 6)	2,145,442	2,107,176
Deferred revenue (note 7)	450,384	665,054
Payable to the Province of Ontario	1,026,495	2,079,494
Other employment liabilities (note 9)	351,525	417,831
	<u>3,973,846</u>	<u>5,269,555</u>
Net financial assets	1,734,763	1,450,672
Non-financial assets:		
Tangible capital assets (note 3)	17,207,355	17,131,529
Supplies inventory	147,117	183,556
Prepaid expenses	96,526	137,776
	<u>17,450,998</u>	<u>17,452,861</u>
Contingencies (note 13)		
Commitments (note 14)		
Accumulated surplus (note 5)	\$ 19,185,761	\$ 18,903,533

See accompanying notes to financial statements.

On behalf of the Board:

 Chairperson

 Vice Chairperson

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Statement of Operations and Accumulated Surplus

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023	Total 2023	Total 2022
Revenues:			
Province of Ontario (note 10)			
Core	\$ 16,025,259	\$ 16,030,631	\$ 15,442,699
Mitigation funding	1,792,400	1,792,400	1,792,400
One-time funding	1,875,260	2,225,004	4,894,182
Member municipalities	3,643,708	3,705,418	3,664,257
Cost recoveries - other programs (note 11)	97,281	157,291	104,824
Program revenue	238,400	368,797	288,132
Other grant revenues	100,000	356,870	951,825
Interest and miscellaneous	47,000	399,967	210,276
Transfer to deferred revenue	-	214,670	405,876
	23,819,308	25,251,048	27,754,471
Expenses: (note 17)			
Public Health Mandatory Programs	18,450,611	19,753,825	20,265,186
Ontario Seniors Dental Care	1,936,825	1,888,296	1,482,575
Healthy Babies, Healthy Children Programs	1,094,400	1,101,162	1,195,559
School-Focused Nurses Initiative	348,467	350,000	698,570
Infection Prevention and Control Hub	805,717	400,474	686,865
Miscellaneous grants	-	98,186	880,722
Adult Dental	134,780	149,991	55,488
Unorganized Territories/Indigenous Communities	125,000	122,475	89,730
Unorganized Territories/Northern Fruit and Vegetable	136,826	133,100	126,367
Falls Prevention	100,000	83,582	100,606
MOH/AMOH Compensation Initiative	50,959	50,638	69,415
One-time Programs	635,723	189,599	329,226
	23,819,308	24,321,328	25,980,309
Excess of revenue over expenses before items below	-	929,720	1,774,162
Province of Ontario Settlements (note 12)	-	(635,826)	(1,872,435)
Loss on disposal of tangible capital assets	-	(11,666)	(8,785)
Annual surplus (deficit)	-	282,228	(107,058)
Accumulated surplus, beginning of year	-	18,903,533	19,010,591
Accumulated surplus, end of year	\$ -	\$ 19,185,761	\$ 18,903,533

See accompanying notes to financial statements.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Statement of Changes in Net Financial Assets

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Annual surplus (deficit)	\$ 282,228	\$ (107,058)
Purchase of tangible capital assets	(995,450)	(458,735)
Amortization of tangible capital assets	907,958	796,711
Loss on disposal of tangible capital assets	11,666	8,785
	206,402	239,703
Acquisition of prepaid expenses	(96,526)	(137,776)
Use of prepaid expenses	137,776	141,824
Acquisition of supplies inventory	(147,117)	(183,556)
Consumption of supplies inventory	183,556	205,368
	77,689	25,860
Changes in net financial assets	284,091	265,563
Net financial assets, beginning of year	1,450,672	1,185,109
Net financial assets, end of year	\$ 1,734,763	\$ 1,450,672

See accompanying notes to financial statements.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Statement of Cash Flows

Year ended December 31, 2023, with comparative information for 2022

	2023	2022
Cash provided by (used in):		
Cash flows from operating activities:		
Annual surplus (deficit)	\$ 282,228	\$ (107,058)
Adjustments for:		
Amortization of tangible capital assets	907,958	796,711
Loss on disposal of tangible capital assets	11,666	8,785
	1,201,852	698,438
Changes in non-cash working capital:		
Accounts receivable	(1,200,181)	475,497
Accounts payable and accrued liabilities	38,266	(327,202)
Due to Province of Ontario	(1,052,999)	1,680,131
Deferred revenue	(214,670)	(405,876)
Other employment liabilities	(66,306)	(59,928)
Supplies inventory	36,439	21,812
Prepaid expenses	41,250	4,048
	(1,216,349)	2,086,920
Cash flows from investing activity:		
Purchase of tangible capital assets	(995,450)	(458,735)
Increase (decrease) in cash	(2,211,799)	1,628,185
Cash and cash equivalents, beginning of year	6,268,478	4,640,293
Cash and cash equivalents, end of year	\$ 4,056,679	\$ 6,268,478

See accompanying notes to financial statements.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements

Year ended December 31, 2023

The North Bay Parry Sound District Health Unit (the "Health Unit") is incorporated without share capital under the Health Protection and Promotion Act and its principal activity is to provide mandatory public health programs. The Health Unit is a non-profit organization and is a registered charity exempt from income taxes under the Income Tax Act.

1. Summary of significant accounting policies:

These financial statements are prepared by management in accordance with Canadian public sector accounting standards established by the Public Sector Accounting Board. The significant accounting policies applied in the preparation of these financial statements are set out below.

(a) Financial statement presentation:

The financial statements reflect the assets, liabilities, revenues and expenses of the North Bay Parry Sound District Health Unit. The following programs are funded through grants from the Province of Ontario and through transfer payments from member municipalities.

Program Name	% Funded Province of Ontario	% Funded Municipal
Public Health Cost shared Mandatory Programs	70%	30%
Healthy Babies, Healthy Children	100%	0%
School Focused–Nurses Initiative	100%	0%
MOH/AMOH Compensation Initiative	100%	0%
Unorganized Territories/Mandatory Program	100%	0%
Unorganized Territories/Northern Fruit and Vegetable Program	100%	0%
Unorganized Territories/Indigenous Community Partnerships	100%	0%
Ontario Seniors Dental Care	100%	0%
Infection Prevention and Control Hub	100%	0%

(b) Cash and cash equivalents:

Cash and cash equivalents includes cash on hand, current bank accounts and short-term deposits, if any, with terms to maturity of less than 90 days.

(c) Revenue recognition:

Provincial funding revenues are recognized in the year to which the program relates. Municipal revenues are recognized in the year they are levied to member municipalities. Other revenues are recognized when services are provided and collection is reasonably assured. Investment revenue is recognized in the period earned.

Government transfers are recognized as revenue in the financial statements when the transfer is authorized and all eligibility criteria are met, except to the extent that transfer stipulations give rise to an obligation that meets the definition of a liability. Transfers are recognized as deferred revenue when transfer stipulations give rise to a liability. Transfer revenue is recognized in the statement of operations as the stipulation liabilities are settled.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

1. Summary of significant accounting policies (continued):

(d) Retirement benefits:

The Health Unit's contributions due during the period to its multi-employer defined benefit plan are expensed as incurred.

(e) Tangible capital assets:

Tangible capital assets are recorded at cost less accumulated amortization. Cost includes all costs directly attributable to acquisition or construction of the tangible capital asset including transportation costs, installation costs, design and engineering fees, legal fees and site preparation costs. Contributed tangible capital assets are recorded at fair value at the time of the donation, with a corresponding amount recorded as revenue. Amortization is recorded on a straight-line basis over the estimated life of the tangible capital asset commencing once the asset is available for productive use as follows:

Asset	Basis	Term
Furniture	Straight-line	5 to 10 years
Equipment	Straight-line	5 to 8 years
Computer equipment and software	Straight-line	4 to 5 years
Portables	Straight-line	20 years
Building	Straight-line	40 years
Leaseholds	Straight-line	Over term of the lease
Trailers	Straight-line	5 years

(f) Economic dependence:

Substantially all of the Health Unit's revenue is received from the Province of Ontario and municipalities in its district. The continuation of the Health Unit is dependent on this funding.

Any adjustment to funding is recorded in the year it becomes known as an adjustment to net assets.

(g) Budget figures:

Budget figures have been provided for comparison purposes and have been derived from the budget approved by the Board of Directors.

(h) Use of estimates:

The preparation of the financial statements in conformity with Canadian public sector accounting standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. The principal estimates used in the preparation of these financial statements are the determination of the estimated useful life of tangible capital assets. Actual results could differ from these estimates.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

2. Change in accounting policies:

The Health Unit adopted the following standards concurrently beginning January 1, 2022 prospectively: *PS 1201 Financial Statement Presentation*, *PS 2601 Foreign Currency Translation*, *PS 3041 Portfolio Investments* and *PS 3450 Financial Instruments*.

PS 1201 Financial Statement Presentation replaces *PS 1200 Financial Statement Presentation*. This standard establishes general reporting principles and standards for the disclosure of information in government financial statements. The standard introduces the Statement of Remeasurement Gains and Losses separate from the Statement of Operations. Requirements in *PS 2601 Foreign Currency Translation*, *PS 3450 Financial Instruments*, and *PS 3041 Portfolio Investments*, which are required to be adopted at the same time, can give rise to the presentation of gains and losses as remeasurement gains and losses.

PS 2601 Foreign Currency Translation replaces *PS 2600 Foreign Currency Translation*. The standard requires monetary assets and liabilities denominated in a foreign currency and non-monetary items denominated in a foreign currency that are reported as fair value, to be adjusted to reflect the exchange rates in effect at the financial statement date. Unrealized gains and losses arising from foreign currency changes are presented in the new Statement of Remeasurement Gains and Losses. *PS 3041 Portfolio Investments* replaces *PS 3040 Portfolio Investments*. The standard provides revised guidance on accounting for, and presentation and disclosure of, portfolio investments to conform to *PS 3450 Financial Instruments*. The distinction between temporary and portfolio investments has been removed in the new standard, and upon adoption, *PS 3030 Temporary Investments* no longer applies.

PS 3450 Financial Instruments establishes accounting and reporting requirements for all types of financial instruments including derivatives. The standard requires fair value measurement of derivatives and portfolio investments in equity instruments that are quoted in an active market. All other financial instruments will generally be measured at cost or amortized cost. Unrealized gains and losses arising from changes in fair value are presented in the Statement of Remeasurement Gains and Losses. A statement of remeasurement gains and losses has not been included as there are no matters to report therein.

Establishing fair value

The fair value of guarantees and letters of credit are based on fees currently charged for similar agreements or on the estimated cost to terminate them or otherwise settle the obligations with the counterparties at the reported borrowing date.

Fair value hierarchy

The following provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into Levels 1 to 3 based on the degree to which fair value is observable:

Level 1 – fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 – fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e., as prices) or indirectly (i.e., derived from prices); and

Level 3 – fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs).

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

2. Change in accounting policies (continued):

The fair value hierarchy requires the use of observable market inputs whenever such inputs exist. A financial instrument is classified to the lowest level of the hierarchy for which a significant input has been considered in measuring fair value.

On January 1, 2022, the Board adopted Public Accounting Standard *PS 3280 Asset Retirement Obligations*. The new accounting standard addresses the reporting of legal obligations associated with the retirement of certain tangible capital assets, such as asbestos removal in retired buildings by public sector entities. An asset retirement obligation has not been recorded by the Health Unit, as it does not possess tangible capital assets that meet the recognition criteria.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

3. Tangible capital assets:

		Furniture	Equipment	Computer Equipment & Software	Leaseholds	Portables	Buildings	Land	Trailers	Work In Progress	2023 Total
Cost:											
Balance, January 1, 2023	\$	984,037	1,150,944	2,671,071	253,130	2,916	17,469,708	987,335	10,289	12,081	23,541,511
Additions		40,104	237,776	116,618	600,952	-	-	-	-	-	995,450
Disposals		(86,500)	(93,958)	(81,602)	(248,957)	(2,916)	-	-	-	-	(513,933)
Transfers to (from)		-	-	-	12,081	-	-	-	-	(12,081)	-
Balance, December 31, 2023	\$	937,641	1,294,762	2,706,087	617,206	-	17,469,708	987,335	10,289	-	24,023,028
Accumulated amortization:											
Balance, January 1, 2023	\$	476,867	896,675	2,357,504	239,346	2,114	2,433,361	-	4,115	-	6,409,982
Amortization		91,937	145,471	169,336	61,721	-	437,435	-	2,058	-	907,958
Disposals		(86,500)	(93,958)	(81,602)	(238,093)	(2,114)	-	-	-	-	(502,267)
Balance, December 31, 2023	\$	482,304	948,188	2,445,238	62,974	-	2,870,796	-	6,173	-	6,815,673
Net book value											
At December 31, 2023	\$	455,337	346,574	260,849	554,232	-	14,598,912	987,335	4,116	-	17,207,355

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

3. Tangible capital assets (continued):

		Furniture	Equipment	Computer Equipment & Software	Leaseholds	Portables	Buildings	Land	Trailers	Work In Progress	2022 Total
Cost:											
Balance, January 1, 2022	\$	839,144	1,203,824	2,602,173	253,130	2,916	17,466,093	987,335	19,237	-	23,373,852
Additions		170,412	93,618	179,009	-	-	3,615	-	-	12,081	458,735
Disposals		(25,519)	(146,498)	(110,111)	-	-	-	-	(8,948)	-	(291,076)
Balance, December 31, 2022	\$	984,037	1,150,944	2,671,071	253,130	2,916	17,469,708	987,335	10,289	12,081	23,541,511
Accumulated amortization:											
Balance, January 1, 2022	\$	414,460	913,798	2,328,186	237,377	1,968	1,995,926	-	3,847	-	5,895,562
Amortization		87,926	127,748	139,429	1,969	146	437,435	-	2,058	-	796,711
Disposals		(25,519)	(144,871)	(110,111)	-	-	-	-	(1,790)	-	(282,291)
Balance, December 31, 2022	\$	476,867	896,675	2,357,504	239,346	2,114	2,433,361	-	4,115	-	6,409,982
Net book value											
At December 31, 2022	\$	507,170	254,269	313,567	13,784	802	15,036,347	987,335	6,174	12,081	17,131,529

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

4. Accounts receivable:

	2023	2022
Government of Canada	\$ 283,882	\$ 207,009
Province of Ontario	1,342,452	143,215
Member municipalities	10,203	15,144
Other	15,393	86,381
	\$ 1,651,930	\$ 451,749

5. Accumulated surplus:

	2023	2022
Invested in tangible capital assets	\$ 17,207,355	\$ 17,131,529
Municipal reserve (i)	2,174,943	1,998,408
Amounts to be recovered (note 9)	(351,525)	(417,831)
Operating fund	154,988	191,427
Accumulated surplus, end of year	\$ 19,185,761	\$ 18,903,533

(i) Change in Municipal reserve:

Balance, beginning of year	\$ 1,998,408	\$ 1,796,820
Additions:		
Surplus	77,211	160,620
Interest	99,324	40,968
Balance, end of year	\$ 2,174,943	\$ 1,998,408

6. Accounts payable and accrued liabilities:

	2023	2022
Trade payables and other accruals	\$ 1,519,900	\$ 1,319,034
Accrued salaries and benefits	607,722	741,261
Due to member municipalities	17,820	6,693
Capital project payable	-	40,188
	\$ 2,145,442	\$ 2,107,176

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

7. Deferred revenue:

	2023	2022
Deferred revenue, beginning of year	\$ 665,054	\$ 1,070,930
Add: amount received during the year	951,125	2,787,756
Less: amount recognized as revenue during the year	(692,555)	(3,046,020)
Less: payable to Province of Ontario	(473,240)	(147,612)
Deferred revenue, end of year	\$ 450,384	\$ 665,054

Included in cash and cash equivalents is restricted amounts of \$450,384 (2022 - \$665,054) with respect to the above.

The ending balance is comprised of:

	2023	2022
Infection Prevention and Control Hub	\$ 148,663	\$ 447,871
Other Grants	276,398	210,453
Falls Prevention	6,958	2,970
Adult Dental Preventative	12,500	3,760
Needle Exchange Program	5,865	-
	\$ 450,384	\$ 665,054

8. Credit facility:

The Health Unit has authorized line of credit under a credit facility agreement with a Canadian chartered bank. The maximum draw permitted under this agreement is \$2,000,000 at prime less 0.25%. The amount drawn on this facility at year end was \$Nil (2022 - \$Nil).

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

9. Other employment liabilities:

The Health Unit provides certain employee benefits which will require funding in future periods.

	2023	2022
Vacation and compensation time	\$ 351,525	\$ 417,831

10. Province of Ontario funding:

The revenue from the Province of Ontario consists of the following grants:

	Budget 2023	Total 2023	Total 2022
Core:			
Public Health Mandatory programs	\$ 11,609,775	\$ 11,609,775	\$ 11,494,775
Unorganized Territories	1,071,474	1,077,725	1,117,202
Healthy Babies, Healthy Children	1,094,400	1,094,400	1,094,400
Ontario Seniors Dental Care	1,936,825	1,936,822	1,460,325
Unorganized Territories/Northern			
Fruit and Vegetable program	136,826	133,100	126,367
Unorganized Territories/Indigenous Communities	125,000	122,475	89,730
MOH/AMOH Compensation Initiative	50,959	56,334	59,900
Subtotal	16,025,259	16,030,631	15,442,699
Mitigation funding	1,792,400	1,792,400	1,792,400
One time funding:			
Public Health - COVID-19: General program	46,117	60,100	526,800
Public Health - COVID-19: Vaccine program	39,236	696,600	2,592,000
School-Focused Nurses Initiative	348,467	350,000	698,570
MOH/AMOH Compensation Initiative	-	-	9,515
Other	635,723	543,798	437,297
Infection Prevention and Control Hub	805,717	574,506	630,000
Subtotal	1,875,260	2,225,004	4,894,182
	\$ 19,692,919	\$ 20,048,035	\$ 22,129,281

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

11. Cost recoveries:

The Health Unit is responsible for the delivery of various mandated public health and other health programs which are funded 100% by the Province of Ontario. Some expenditures related to the delivery of these programs are initially incurred by the Health Unit and are subsequently recovered from these provincial programs. These amounts recovered are recorded as cost recoveries in the Health Unit's statement of operations and accumulated surplus.

12. Province of Ontario Settlements:

The Province of Ontario settlements for the year consists of the following:

	2023	2022
Infection Prevention and Control Hub	(473,240)	(125,760)
One-time funding – COVID-19: Vaccine program	\$ (134,807)	\$ (1,577,913)
Ontario Seniors Dental Care	(22,084)	–
MOH/AMOH Compensation Initiative	(5,695)	–
Healthy Babies, Healthy Children	–	(147,612)
One-time programs	–	(21,150)
	<u>\$ (635,826)</u>	<u>\$ (1,872,435)</u>

13. Contingencies:

On July 1, 1987, a group of health care organizations, ("subscribers"), formed Healthcare Insurance Reciprocal of Canada ("HIROC"). HIROC is registered as a Reciprocal pursuant to provincial Insurance Acts which permit persons to exchange with other persons reciprocal contracts of indemnity insurance. HIROC facilitates the provision of liability insurance coverage to health care organizations in the provinces and territories where it is licensed. Subscribers pay annual premiums, which are actuarially determined, and are subject to assessment for losses in excess of such premiums, if any, experienced by the group of subscribers for the years in which they were a subscriber. No such assessments have been made to current date.

Since its inception in 1987, HIROC has accumulated an unappropriated surplus, which is the total of premiums paid by all subscribers plus investment income less the obligation for claims reserves and expenses and operating expenses. Each subscriber that has an excess of premium plus investment income over the obligation for their allocation of claims reserves and expenses and operating expenses may be entitled to receive distributions of their share of the unappropriated surplus at the time such distributions are declared by the Board of Directors of HIROC.

The Health Unit became a member of HIROC in January 2013 and is subject to any assessment on a proportionate basis.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

14. Commitments:

The Health Unit has the following commitments:

- a. The Health Unit rents office premises in Sturgeon Falls on a lease that expired during 2017, currently on a month-to-month agreement, Mattawa based on scheduled clinics, total was \$1,800 for the year, Parry Sound under lease expiring on July 1, 2038 at \$304,223 per year.
- b. The Health Unit rents equipment under various long-term leases, the longest of which expires in 2028. The annual lease payments amount to \$16,173 (2022 - \$24,086).

The minimum annual lease payments for the next five years are as follows:

2024	\$ 320,396
2025	316,510
2026	315,214
2027	314,347
2028	307,549

15. Pension agreement:

The Health Unit is an employer member of the Ontario Municipal Employees Retirement System (OMERS), which is a multi-employer, defined benefit pension plan. The Board of Trustees, representing plan members and employers, is responsible for overseeing the management of the pension plan, including investment of the assets and administration of the benefits. The Health Unit has adopted defined contribution plan accounting principles for this Plan because insufficient information is available to apply defined benefit plan accounting principles. The Health Unit records as pension expense the current service cost, amortization of past service costs and interest costs related to the future employment contributions to the Plan for past employee service.

OMERS provides pension services to almost half a million active and retired members and approximately 1,000 employers. Each year an independent actuary determines the funding status of OMERS Primary Pension Plan (the Plan) by comparing the actuarial value of invested assets to the estimated present value of all pension benefits that members have earned to date. The most recent actuarial valuation of the Plan was conducted at December 31, 2023. The results of this valuation disclosed total actuarial liabilities of \$136,185 million in respect of benefits accrued for service with actuarial assets at that date of \$131,983 million indicating a going concern actuarial deficit of \$4,202 million. Because OMERS is a multi-employer plan, any pension plan surpluses or deficits are a joint responsibility of Ontario municipal organizations and their employees. As a result, the Health Unit does not recognize any share of the OMERS pension surplus or deficit. The amount contributed to OMERS for 2023 was \$1,374,208 (2022 - \$1,257,820) for current service.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Notes to Financial Statements (continued)

Year ended December 31, 2023

16. Segmented reporting:

The Canadian Chartered Public Accountants Public Sector Accounting Handbook Section PS 2700, Segment Disclosures, establishes standards on defining and disclosing segments in a government's financial statements. Government organizations that apply these standards are encouraged to provide the disclosures established by this section when their operations are diverse enough to warrant such disclosures. The Health Unit has only one identifiable segment, considered to be public health, as presented in these financial statements.

17. Expenditures by object:

	2023	2022
Salaries	\$ 14,776,300	\$ 16,250,193
Employee benefits	4,038,176	3,871,670
Professional and purchase services	1,802,492	2,066,185
Materials and supplies	1,115,577	1,328,303
Amortization of tangible capital assets	907,958	796,712
Occupancy	573,727	519,009
Information technology	291,165	329,966
Communication costs	173,295	207,622
Travel	285,407	289,096
Professional development	218,508	234,281
Equipment	138,723	87,272
	\$ 24,321,328	\$ 25,980,309

18. Comparative information:

Certain of the comparative information have been restated to meet current year's presentation.

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 1 - Public Health Mandatory Programs

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023	Total 2023	Total 2022
Revenue:			
Province of Ontario			
Core	\$ 12,681,249	\$ 12,687,500	\$ 12,611,977
Mitigation funding	1,792,400	1,792,400	1,792,400
One-time funding	85,353	756,700	3,118,800
Member municipalities	3,552,928	3,614,638	3,503,637
Program revenue	194,400	277,910	222,358
Cost recoveries - other programs	97,281	157,291	104,824
Other grant revenues	-	-	10,000
Interest and miscellaneous	47,000	399,967	208,259
Transfer from deferred revenue	-	5,750	28,100
Transfer to deferred revenue	-	-	(5,750)
	18,450,611	19,692,156	21,594,605
Expenses:			
Salaries	12,071,899	12,353,842	13,118,803
Employee benefits	3,352,957	3,399,888	3,141,111
Professional and purchased services	620,667	709,835	795,763
Program material and supplies	606,529	843,895	718,554
Occupancy	550,876	573,727	512,534
Information technology	299,920	291,165	329,899
Communication costs	171,774	169,966	206,483
Travel	214,305	261,078	269,517
Professional development	329,088	198,745	212,459
Office supplies	105,940	86,122	107,887
Equipment	126,656	34,638	86,934
Amortization of tangible capital assets	-	830,924	765,242
	18,450,611	19,753,825	20,265,186
Excess (deficiency) of revenue over expenses before items below	-	(61,669)	1,329,419
Capital expenditures	-	(443,546)	(437,663)
Province of Ontario settlement for the year	-	(134,807)	(1,577,913)
Loss on disposal of tangible capital assets	-	11,666	8,785
Member Municipality surplus to be transferred to municipal reserves	-	(61,710)	-
Annual deficit	\$ -	\$ (690,066)	\$ (677,372)

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 2 - Healthy Babies, Healthy Children Program

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Province of Ontario			
Core	\$ 1,094,400	\$ 1,094,400	\$ 1,094,400
Transfer from deferred revenue	-	-	245,017
	1,094,400	1,094,400	1,339,417
Expenses:			
Salaries	828,161	821,090	862,928
Employee benefits	239,157	247,599	236,069
Travel	24,397	16,592	14,759
Communication costs	-	3,329	1,139
Professional and purchased services	2,685	2,685	2,615
Office supplies	-	361	245
Program material and supplies	-	1,675	61,210
Professional development	-	1,069	7,409
Information technology	-	-	67
Amortization of tangible capital assets	-	6,762	6,762
Allocated costs	-	-	2,356
	1,094,400	1,101,162	1,195,559
Excess (deficiency) of revenue over expenses before items below	-	(6,762)	143,858
Capital expenditures	-	-	(3,008)
Province of Ontario settlement for the year	-	-	(147,612)
Annual deficit	\$ -	\$ (6,762)	\$ (6,762)

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 3 - Ontario Seniors Dental Care

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Province of Ontario			
Core	\$ 1,936,825	\$ 1,936,822	\$ 1,460,325
Program revenue	-	19,935	15,604
	1,936,825	1,956,757	1,475,929
Expenses:			
Salaries	735,804	538,503	565,229
Employee benefits	190,508	153,718	158,598
Professional and purchased services	772,987	976,132	599,583
Program material and supplies	55,000	42,414	43,283
Equipment	30,530	6,086	-
Office supplies	830	655	539
Professional development	4,500	3,880	3,155
Travel	1,000	3,206	512
Information technology	3,875	-	-
Amortization of tangible capital assets	-	21,911	24,708
Allocated costs	141,791	141,791	86,968
	1,936,825	1,888,296	1,482,575
Excess (deficiency) of revenue over expenses before item below	-	68,461	(6,646)
Capital expenditures	-	(68,290)	(18,062)
Province of Ontario settlement for the year	-	(22,084)	-
Annual deficit	\$ -	\$ (21,913)	\$ (24,708)

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 4 - School-Focused Nurses Initiative

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Province of Ontario			
One-time funding	\$ 348,467	\$ 350,000	\$ 698,570
Expenses:			
Salaries	268,337	268,027	555,135
Employee benefits	80,130	81,973	143,435
	348,467	350,000	698,570
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 5 - Unorganized Territories/Northern Fruit and Vegetable Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Province of Ontario			
Core	\$ 136,826	\$ 133,100	\$ 126,367
Expenses:			
Salaries	61,639	57,892	56,813
Employee benefits	17,950	17,951	14,343
Program material and supplies	48,737	45,049	39,542
Office supplies	1,000	313	435
Professional and purchased services	-	4,395	7,734
Allocated costs	7,500	7,500	7,500
	136,826	133,100	126,367
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 6 - Unorganized Territories/Indigenous Communities

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Province of Ontario			
Core	\$ 125,000	\$ 122,475	\$ 89,730
Expenses:			
Salaries	69,692	55,326	40,389
Employee benefits	20,532	18,998	12,062
Program material and supplies	23,276	39,339	24,421
Professional development	3,500	509	3,980
Travel	-	303	878
Allocated costs	8,000	8,000	8,000
	125,000	122,475	89,730
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 7 - MOH/AMOH Compensation Initiative

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Province of Ontario			
Core	\$ 50,959	\$ 56,334	\$ 59,900
One-time funding	-	-	9,515
	50,959	56,334	69,415
Expenses:			
Salaries	43,151	42,514	58,618
Employee benefits	7,808	8,124	10,797
	50,959	50,638	69,415
Excess of revenue over expenses before item below	-	5,696	-
Province of Ontario settlement for the year	-	(5,696)	-
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 8 - One-Time Programs

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Needle Exchange Program			OSDCP Capital Funding			Public Health Inspector Practicum			Total		
	2023		Actual	2023		Actual	2023		Actual	2023		2022
	Budget			Budget			Budget			Budget		
Revenue:												
Province of Ontario												
One-time funding	\$	27,523	\$	19,748	\$	510,550	\$	13,500	\$	543,798	\$	437,297
Transfer from deferred revenue		-	2,770		-	84,150		-		86,920		-
Transfer to deferred revenue		-	(5,866)		-	-		-		(5,866)		(86,920)
	27,523		16,652	594,700		594,700	13,500		13,500	624,852		350,377
Expenses:												
Salaries		-	-	-	-	-	11,934		10,047	10,047		301,175
Employee benefits		-	-	-	-	-	1,212		1,041	1,041		16,221
Information technology		-	-	-	-	-	-		-	-		-
Professional and purchased services		3,000	2,754	-	-	-	-		-	2,754		699
Equipment		-	-	200,700		97,567	-		-	200,700		-
Program material and supplies		24,523	13,898	394,000		13,519	-		-	418,523		10,778
Professional development		-	-	-	-	-	-		870	27,417		-
Travel		-	-	-	-	-	-		1,542	870		353
Amortization of tangible capital assets		-	-	-	-	48,361	-		-	1,542		-
	27,523		16,652	594,700		159,447	13,500		13,500	189,599		329,226
Excess of revenue over expenses before item below		-	-	-		435,253	-		-	435,253		21,151
Province of Ontario settlement		-	-	-	-	-	-		-	-		(21,151)
Capital expenditures		-	-	-	-	(483,614)	-		-	(483,614)		-
Annual deficit	\$	-	\$	-	\$	(48,361)	\$	-	\$	(48,361)	\$	-

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 9 - Adult Dental

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Member municipalities	\$ 90,780	\$ 90,780	\$ 160,620
Program revenue	44,000	70,952	50,170
Miscellaneous Income	-	-	2,017
Transfer from deferred revenue	-	3,760	19,561
Transfer to deferred revenue	-	-	(16,260)
	134,780	165,492	216,108
Expenses:			
Salaries	101,960	101,555	45,771
Employee benefits	21,875	21,697	9,717
Program material and supplies	8,595	4,182	-
Professional development	2,250	2,293	-
Professional and purchased services	-	19,789	-
Office supplies	100	-	-
Travel	-	475	-
	134,780	149,991	55,488
Excess of revenue over expenses before item below	-	15,501	160,620
Member Municipality surplus to be transfered to municipal reserves	-	(15,501)	(160,620)
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 10 - Infection Prevention and Control Hub

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget 2023	Total 2023	Total 2022
Revenue:			
Province of Ontario			
One-time funding	\$ 805,717	\$ 574,506	\$ 630,000
Transfer from deferred revenue	-	447,871	630,496
Transfer to deferred revenue	-	(148,663)	(447,871)
	805,717	873,714	812,625
Expenses:			
Salaries	339,726	306,349	472,650
Employee benefits	115,724	75,533	112,887
Professional development	49,628	10,863	7,278
Travel	6,782	1,633	1,332
Program material and supplies	228,116	5,463	92,187
Communication costs	567	-	-
Equipment	2,883	432	338
Office supplies	578	201	193
Allocated costs	61,713	-	-
	805,717	400,474	686,865
Excess of revenue over expenses before item below	-	473,240	125,760
Province of Ontario settlement	-	(473,240)	(125,760)
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 11 - Falls Prevention

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Other grant revenues	\$ 100,000	\$ 87,570	\$ 82,103
Transfer from deferred revenue	-	2,970	21,473
Transfer to deferred revenue	-	(6,958)	(2,970)
	100,000	83,582	100,606
Expenses:			
Salaries	68,285	63,864	67,858
Employee benefits	20,248	11,654	16,430
Program material and supplies	8,967	6,625	13,813
Office supplies	500	582	760
Professional development	1,000	279	-
Travel	1,000	578	1,745
	100,000	83,582	100,606
Annual surplus	\$ -	\$ -	\$ -

NORTH BAY PARRY SOUND DISTRICT HEALTH UNIT

Schedule 12 - Miscellaneous Grants

Statement of Operations

Year ended December 31, 2023, with comparative information for 2022

	Budget	Total	Total
	2023	2023	2022
Revenue:			
Other grant revenues	\$ -	\$ 269,300	\$ 859,722
Transfer from deferred revenue	-	105,284	126,284
Transfer to deferred revenue	-	(276,398)	(105,284)
	-	98,186	880,722
Expenses:			
Professional and purchased services	-	86,902	659,791
Program material and supplies	-	11,284	214,437
Security	-	-	6,475
Office supplies	-	-	19
	-	98,186	880,722
Annual surplus	\$ -	\$ -	\$ -